

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-03510A
Circle City Water Company, L.L.C.
P.O. Box 82218
Bakersfield, CA 93380

C

RECEIVED
MAY 14 2008
ARIZONA CORP COMMISSION
Director Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
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FOR COMMISSION USE

ANN04	07
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5-16-08

6-2-08

COMPANY INFORMATION

Company Name (Business Name): Circle City Water Company, L.L.C.

Mailing Address: P.O. Box 82218
(Street)

Bakersfield CA 93380
(City) (State) (Zip)

800-270-6084 or 661-633-7546 800-748-6981
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address: customerservicecenter@brookeutilities.com or mistiej@brookeutilities.com

Local Office Mailing Address: 1010 S. Stover Rd.

Payson Arizona 85541
(City) (State) (Zip)

928-667-3336 928-667-2427
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address davida@brookeutilities.com

MANAGEMENT INFORMATION

Management Contact: Robert T. Hardcastle Managing Member
(Name) (Title)

P.O. Box 82218 Bakersfield CA 93380
(Street) (City) (State) (Zip)

661-633-7526 800-748-6981
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address: rth@brookeutilities.com

On Site Manager: David Allred
(Name)

9079 Riverside Dr Parker AZ 85344
(Street) (City) (State) (Zip)

928-667-3336 928-667-2527
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address: davida@brookeutilities.com

☒ **Please mark this box if the above address(es) have changes or are updated since the last filing.**

Statutory Agent: Robert T. Hardcastle
(Name)

P.O. Box 82218
(Street)

Bakersfield
(City)

CA
(State)

93380
(Zip)

661-633-7526

800-748-6981

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Jay Shapiro with Fennemore Craig
(Name)

3003 N. Central Ave. Ste. 2600
(Street)

Phoenix
(City)

AZ
(State)

85012
(Zip)

602-916-5000

602-916-5566

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address JLShapiro@fclaw.com

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☒ Limited Liability Company

☐ Other (Describe)

COUNTIES SERVED

Check the box for the county/ies in which you are certified to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input checked="" type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME: CIRCLE CITY WATER LLC

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	7,928	-	7,928
304	Structures and Improvements	28,011	14,610	13,401
307	Wells and Springs			
311	Pumping Equipment	40,948	18,751	22,197
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	33,133	22,013	11,120
333	Services			
334	Meters and Meter Installations	19,067	6,003	13,064
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	569	94	475
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	129,656	61,471	68,185

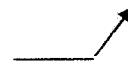
This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME: CIRCLE CITY WATER LLC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	7,928	0.00%	-
304	Structures and Improvements	28,011	4.08%	1,142
307	Wells and Springs			
311	Pumping Equipment	40,948	2.62%	1,072
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	33,133	5.03%	1,667
333	Services			
334	Meters and Meter Installations	19,067	3.57%	680
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	569	4.04%	23
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	129,656	3.54%	4,584

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.



COMPANY NAME: CIRCLE CITY WATER LLC

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 64,269	\$ 65,714
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	(26)	10,613
146	Notes/Receivables from Associated Company	5,000	5,000
151	Plant Materials and Supplies		
162	Prepayments	41,286	(527)
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 110,529	\$ 80,800
	FIXED ASSETS		
101	Utility Plant in Service	\$ 126,938	\$ 129,656
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	(56,887)	(61,471)
121	Not-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 70,051	\$ 68,185
	DEFERRED INCOME TAX DEBITS		
	TOTAL ASSETS	\$ 180,580	\$ 148,985

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page

COMPANY NAME: CIRCLE CITY WATER LLC

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 3,329	\$ -
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Company	95,657	197,134
235	Customer Deposits	4,863	2,619
236	Accrued Taxes	310	-
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	51,750	54,994
	TOTAL CURRENT LIABILITIES	\$ 155,909	\$ 254,747
	LONG-TERM DEBT (Over 12 Months)		
224	Long-term Notes and Bonds	\$ -	\$ -
	Deferred Credits		
251	Unamortized Premium on Debt		
	Refundable Meter Advances	\$ 3,220	\$ 6,111
252	Advances in Aid of Construction	12,017	12,017
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	6,004	6,004
272	Less: Amortization of Contributions	(6,004)	(6,004)
281	Accumulated Deferred Income Taxes		
	TOTAL DEFERRED CREDITS	\$ 15,237	\$ 18,128
	TOTAL LIABILITIES	\$ 171,146	\$ 272,875
	CAPITAL ACCOUNTS		
201	Common Stock Issued		
211	Paid In Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props & Partnerships)	9,434	(123,890)
	TOTAL CAPITAL	\$ 9,434	\$ (123,890)
	TOTAL LIABILITIES AND CAPITAL	\$ 180,580	\$ 148,985

COMPANY NAME: CIRCLE CITY WATER LLC

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 70,732	\$ 69,884
460	Unmetered Water Revenue	-	-
474	Other Water Revenues	-	8,445
	TOTAL REVENUES	\$ 70,732	\$ 78,329
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 5,973	\$ 12,427
610	Purchased Water	104,016	-
615	Purchased Power	10,202	5,712
618	Chemicals	-	15
620	Repairs & Maintenance	-	-
621	Office Supplies and Expense	-	-
630	Outside Services	-	36,039
635	Water Testing	1,896	1,333
641	Rents	-	862
650	Transportation Expenses	-	-
657	Insurance - General Liability	51	-
659	Insurance - Health and Life	782	874
666	Regulatory Commission Expense - Rate Case	19	-
675	Miscellaneous Expense	55,448	141,372
403	Depreciation Expense	9,445	4,584
408	Taxes Other Than Income	4,207	4,275
408.11	Property Taxes	2,901	4,205
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 194,940	\$ 211,698
	OPERATING INCOME/(LOSS)	\$ (124,208)	\$ (133,369)
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ -	\$ -
421	Non-Utility Income	3,696	288
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(170)	(243)
	TOTAL OTHER INCOME/EXPENSE	\$ 3,526	\$ 45
	NET INCOME/(LOSS)	\$ (120,682)	\$ (133,324)

COMPANY NAME: CIRCLE CITY WATER COMPANY, L.L.C.

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principal	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME: CIRCLE CITY WATER COMPANY, L.L.C.	
Name of System: Circle City Water System	ADEQ Public Water System Number (If applicable): PWS 07-112

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-625088	5.0	77	787	8	3	1960

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None	N/A	N/A

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10.0	2	None	None

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
50,000	1	5,000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: CIRCLE CITY WATER COMPANY, L.L.C.	
Name of System: Circle City Water System	ADEQ Public Water System Number (If applicable): PWS 07-112

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
1.5	PVC	700
2	ACP	600
3	None	None
4	ACP & PVC	3,050
4	PVC	1,171
5	None	None
6	ACP & PVC	8,400
6	PVC	3,685
8	PVC	1,000
10	None	None
12	None	None

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	198
3/4	0
1	1
1 1/2	1
2	2
Comp. 3	0
Turbo 3	0
Comp. 4	0
Turbo 4	0
Comp. 6	0
Turbo 6	0

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

None

STRUCTURES:

One (1) panel w/ tin roof, welded steel construction with two 6" cemented legs

One (1) 7' x 7' concrete well slab

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: CIRCLE CITY WATER COMPANY, L.L.C.	
Name of System: Circle City Water System	ADEQ Public Water System Number (If applicable): PWS 07-112

ADEQ Public Water System Number (If applicable): PWS 07-112

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	188	1,345	1,517	
FEBRUARY	188	1,495	1,563	
MARCH	188	1,206	1,336	
APRIL	188	1,726	1,885	
MAY	188	1,463	1,637	
JUNE	188	1,816	2,034	
JULY	188	1,972	2,231	
AUGUST	188	2,194	2,472	
SEPTEMBER	188	1,979	2,266	
OCTOBER	189	1,916	2,234	
NOVEMBER	194	1,953	2,143	
DECEMBER	194	1,577	1,741	
TOTAL		20,642	23,059	

What is the level of arsenic for each well on your system? 0.0040 **Mg/l**
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A **GPM for** **hrs**

If system has chlorination treatment, does this treatment system chlorinate continuously?

() Yes (X) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes ☒ No

If yes, provide the GPCPD amount:

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: CIRCLE CITY WATER COMPANY, L.L.C.

YEAR ENDING 12/31/2007

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: \$

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED

MAY 15 2008

VERIFICATION

STATE OF California

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Kern
NAME (OWNER OR OFFICIAL) TITLE	Robert T. Hardcastle
COMPANY NAME	CIRCLE CITY WATER COMPANY, L.L.C.

W. CORP. COMM
Director Utilities

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.


SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

COUNTY NAME

MONTH

20__

(SEAL)

MY COMMISSION EXPIRES _____

SIGNATURE OF NOTARY PUBLIC

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

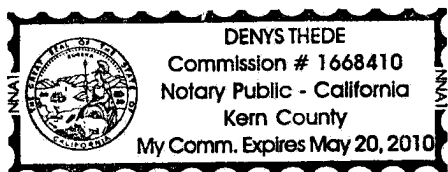
State of California

County of Kern

ss.

On May 14, 2008, before me, Denys Thede, Notary Public, personally appeared Robert T. Hardcastle, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



A handwritten signature in cursive script, appearing to read "Denys Thede", written over a horizontal line.

OPTIONAL

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of pages: _____

Signer(s) other than named above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer - Title(s): _____
- ☐ Partner - ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Right thumbprint of
signer

Top of thumb here

Signer is representing: _____

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	\$	
Estimated or Actual Federal Tax Liability	\$	0
State Taxable Income Reported	\$	
Estimated or Actual State Tax Liability	\$	0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	_____
Amount of Gross-Up Tax Collected	_____
Total Grossed-Up Contributions/Advances	_____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE_____
DATE_____
PRINTED NAME_____
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAY 15 2008

VERIFICATION

STATE OF California
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	92 CORP COMM
Kern	Director Utilities
NAME (OWNER OR OFFICIAL) TITLE	
Robert T. Hardcastle	
COMPANY NAME: CIRCLE CITY WATER COMPANY, L.L.C.	
CIRCLE CITY WATER COMPANY, L.L.C.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 78,617.39

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SIGNATURE OF OWNER OR OFFICIAL
(661) 633-7526

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS **DAY OF**

(SEAL)

COUNTY NAME
MONTH 20__

MY COMMISSION EXPIRES _____

SIGNATURE OF NOTARY PUBLIC

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

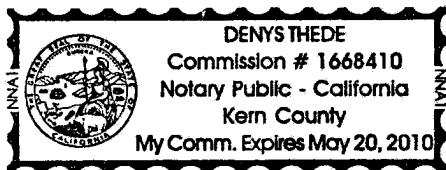
State of California

County of Kern

ss.

On May 14, 2008, before me, Denys Thede, Notary Public, personally appeared Robert T. Hardcastle, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



A handwritten signature in dark ink, appearing to read "Denys Thede", written over a horizontal line.

OPTIONAL

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of pages: _____

Signer(s) other than named above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer - Title(s): _____
- ☐ Partner - ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Right thumbprint of
signer

Top of thumb here

Signer is representing: _____

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

MAY 15 2008

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) KERN		
NAME (OWNER OR OFFICIAL)	ROBERT T. HARDCASTLE	TITLE : MANAGING MEMBER
COMPANY NAME: CIRCLE CITY WATER COMPANY, L.L.C.		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

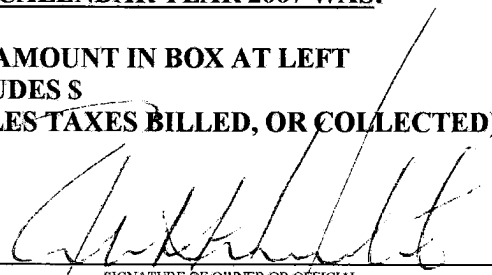
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 78,617.39

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

(SEAL)

MY COMMISSION EXPIRES

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	.20__

X

SIGNATURE OF NOTARY PUBLIC

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

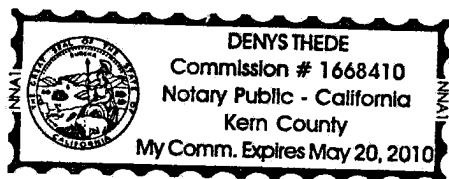
State of California

County of Kern

ss.

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WITNESS my hand and official seal.



A handwritten signature in black ink, appearing to read 'Denys Thede', written over a horizontal line.

OPTIONAL

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of pages: _____

Signer(s) other than named above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer - Title(s): _____
- ☐ Partner - ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Right thumbprint of
signer

Top of thumb here

Signer is representing: _____

08253

NOT NEGOTIABLE

08253

WELLS FARGO BANK, N.A.
11-24
1210(8)

WELLS FARGO BANK, N.A.

CHECK NO.

PAY
TO THE
ORDER
OF

PAID TO THE ORDER OF
BROOKE WATER LLC
BROOKE WATER LLC

DATE

AMOUNT

NOT NEGOTIABLE

ENCLOSURE

Property Address: SITUS ADDRESS NOT AVAILABLE.

LEGAL DESCRIPTION SEC/LOT TWN/BLK RNG/TR

TOTAL VALUE OF OPERATING PROPERTY

Property address is provided by the Maricopa County Assessor's Office

Own several properties?

Bulk payments may be your answer. Visit www.treasurer.maricopa.gov to learn more about making payments on-line.

Learn how your tax dollars are spent!

More detailed information is available at www.treasurer.maricopa.gov. View your tax bill online, and find information about how your property taxes are allocated.

View a map of delinquent parcels

Check your property on our new map! The map highlights properties that are behind in their taxes. It will also help you check to see if there are any "orphan" parcels associated with your real estate. Visit www.treasurer.maricopa.gov.

TYPE	LIMITED	RAT	ASSESSED
Land/Building	60,001	.240	14,400
Personal Property	62,999	.240	15,120
Exemption			0
Primary Total	123,000	.240	29,520
AREA CODE: 750006			
SECONDARY FULL CASH VALUES (SEC)			
TYPE	FULL CASH	RATIO	ASSESSED
Land/Building	60,001	.240	14,400
Personal Property	62,999	.240	15,120
Exemption			0
Secondary Total	123,000	.240	29,520
SPECIAL DISTRICT (VALUE/ACRES/SQ FT) = ASSESSED			
CIRCLE CITY-MORRISTOWN VFD			29520 11579

	Rate/100	2006 Amount	2007 Amount	Change
MORRISTOWN ELEMENTARY	PRI 3.8937	1,257.70	1,149.42	-8.6% ↓
MORRISTOWN ELEMENTARY OVERRIDES	SEC .3103	133.66	91.60	-31.4% ↓
COMMUNITY COLLEGE DIST	PRI .8246	265.64	243.42	-8.3% ↓
COMMUNITY COLLEGE DIST BONDS	SEC .1514	55.18	44.70	-18.9% ↓
EDUCATION EQUALIZATION	PRI .0000	0.00	0.00	0.0% ↓
TOTAL FOR SCHOOLS / EDUCATION		1,712.18	1,528.14	
NONE				
TOTAL FOR CITY TAXES				
GENERAL COUNTY FUND	PRI 1.1046	355.42	326.08	-8.2% ↓
TOTAL FOR GENERAL COUNTY		355.42	326.08	
FLOOD CONTROL OF MARICOPA CTY	SEC .1533	19.84	22.08	+11.2% ↑
CENTRAL AZ WATER CONSV DIST	SEC .1000	36.16	29.52	-18.3% ↓
FIRE DISTRICT ASSISTANCE TAX	SEC .0053	2.06	1.56	-24.2% ↓
COUNTY LIBRARY	SEC .0391	15.28	11.56	-24.3% ↓
COUNTY HEALTH CARE DISTRICT	SEC .0935	35.68	27.60	-22.6% ↓
CIRCLE CITY-MORRISTOWN VFD	SEC 2.2356	724.74	659.94	-8.9% ↓
TOTAL FOR SPECIAL DISTRICTS		833.76	752.26	
STATE AID				
Grand Total		2,901.36	2,607.48	-10.1% ↓

DETACH AND RETURN WITH PAYMENT



2

PARCEL/ACCOUNT # 640-37-506 7

2007 SECOND HALF PAYMENT STUB
DUE MARCH 1, 2008
DELINQUENT AFTER MAY 1, 2008

PRINT THE ABOVE PARCEL / ACCOUNT
NUMBER ON YOUR CHECK

U.S. FUNDS ONLY

CIRCLE CITY WATER LLC

MAKE CHECK PAYABLE TO:

Maricopa County Treasurer
P O Box 52133
Phoenix, AZ 85072-2133

SECOND HALF	\$ 1,303.74
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MAKE CHANGES TO MAILING ADDRESS BELOW
OR GO TO <http://treasurer.maricopa.gov>

Please remember that your second half payment is due in March and that no additional notification is sent.

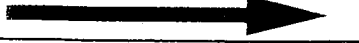
0700000000200002607480000130374640375060072

Verify the property description on the back of this statement to make certain you are paying on the correct parcel. The Treasurer's Office is not responsible for payments to incorrect parcels.

**MARICOPA COUNTY
2007 PROPERTY TAX
STATEMENT**

So we can provide you with more of the information you want regarding your property taxes...

**Tax information
is now on the
other side**



**MARICOPA COUNTY
TREASURER**
DAVID SCHWEIKERT
301 W JEFFERSON ST — Room 100
PHOENIX, AZ 85003—2199

(602) 506-8511

Sign up for
Parcel Watch

and receive tax bill
notifications via email

www.treasurer.maricopa.gov

2000 2461 *****AUTO**ALL FOR AADC 910
CIRCLE CITY WATER LLC
PO BOX 82218
BAKERSFIELD, CA 93380-2218

Your 2007 Property Tax Summary for Parcel # 640-37-506 7

(685104=PRTCNTL)

	2006	Ratio	Assessed	2007	Ratio	Assessed	Rate/100	2007 Tax
Limited Value (Primary)	123,000	.245	30,135	123,000	.240	29,520	05.8229	1,718.92
Full Cash Value (Secondary)	123,000	.245	30,135	123,000	.240	29,520	03.0885	888.56

Co #10 Acct H407.8
Total 2007 Taxes Assessed

Pay \$1303.74 for 1st half only

\$2,607.48

Definitions

Primary Limited Value.....	Legislatively established value based on a mathematical formula that limits the valuation increase in any given year.
PRI.....	Taxes on Limited Value for the maintenance and operation of State, County, Cities, School Districts and Community College Districts.
Full Cash Value	Assessor's estimate of true market value.
SEC.....	Taxes on Full Cash Value, but used to fund bonds, overrides, and certain special districts.
Special Districts	Limited purpose taxing districts such as Flood Control, Fire, Irrigation, etc.
School Bonds.....	Voter approved borrowing for education.
Overrides.....	Permission to exceed spending limitations.
State Aid	Primary property tax credit for owner-occupied homes. The amount is reimbursed to School Districts from the State.

Payments

First half tax is due 10/1/07. Interest penalty after 5pm on 11/1/07.

Second half tax is due 3/1/08. Interest penalty after 5pm on 5/1/08.

For tax amounts more than \$100, if the entire amount is paid in full by 12/31/07, no interest is charged.

Full year taxes of \$100 or less must be paid in full by 11/1/07.

Interest on late payments is 16% per year (ARS § 42-18053).

Pay with E-Check: Contact your bank or visit our web site. No service fees when paid using the Treasurer's Office website.

Pay by credit card: Third-party service fees apply. Visit our web site.

Pay by check: Mailed payments must be postmarked on or before the due date. Your cancelled check is your receipt. Legal payment exists when the check has cleared your bank. A \$25 fee will be assessed for returned checks. Use enclosed envelope and payment coupon and write your parcel number on your check. U.S. funds only.

Pay in person: Current year taxes can be paid in person, using check or cash, at any Bank of America branch in Arizona.

FAQ (Frequently Asked Questions)

Find the answers at www.treasurer.maricopa.gov

Second half due March 1, 2008

You can pay your bill by **E-Check** at

www.treasurer.maricopa.gov

or at any Bank of America branch in Arizona